

31 July 1950

MEMORANDUM FOR: MANAGEMENT OFFICER

SUBJECT: Proposed Plan for Realignment of Certain Agency Functions

1. This office feels that the proposed plan for the realignment of certain Agency functions is basically well-conceived and sound. The following factors, however, should be taken into consideration.

2. With respect to Paragraph 2, suggesting that coordination of information requirements and assignment of collection action be removed from OCD Liaison Division and assigned to joint control of the requirements Staffs of the Assistant Directors of ORE and OSI, this office feels that, despite certain administrative difficulties, the plan would be more workable than the present system. The elimination of an OCD middleman between ORE/OSI and OSO, where ORE and OSI requirements are concerned, is desirable, since a fundamental agreement in advance by OSO officers with ORE/OSI desk officers is the correct basis for realistic requirement collection action. It should be recognized, nonetheless, that ORE and OSI will require control points of some sort. The elimination of an OCD middleman between IAC requesters and OSO is in no way improved by substituting ORE/OSI middlemen. Aside from the continuance of middleman groups, strenuously objected to by IAC requesters, this has the additional disadvantage of permitting ORE/OSI to interpret IAC requests to OSO. The retention of this function in OCD has at least the advantage of assigning requirements to a disinterested staff. If the proposed reassignment is made, it must be clearly understood that ORE/OSI will not change the original IAC requirements and will submit their own requirements only as additions. It should also be understood that direct liaison between OSO and IAC agencies is absolutely necessary to insure practicality in the requirements of the latter groups.

3. If the statement on Page 2, to the effect that "all requirements of OSO, CPC, OO, and other intelligence agencies referred for coordination will fall within the jurisdiction of ORE," means that ORE will control either all requirements levied on OSO for intelligence collection or all OSO requirements for intelligence collection by other agencies or CIA components, that procedure is considered to be unduly cumbersome and unsound in that no consideration is given to the manifest need for high security in the handling of special intelligence and CE matters nor to the difference between general CIA and specific OSO requirements.

SECRET

JUL 31 1950

**SECRET**

4. The proposal in Paragraph 3, that collection of intelligence materials available in operating units of other government agencies be consolidated, appears to be sound, although deserving of careful analysis with respect to such matters as the possible cover which that office might give OSO and OPC. In this same connection, the suggested name, "Office of Overt Collection," by contrast, raises an automatic query as to the covert functions of the Agency. It is believed that the Office of Operations should retain its name without the additional qualification of "overt." It is still felt that the basic consolidation contemplated under NSC-50 is a much sounder approach. In any event, if all overt collection, including that of intelligence from other agencies, is to be transferred to the jurisdiction of the Office of Operations, then appropriate exception should be made to cover the necessity for OSO's collection of counterespionage and related information, from overt and all other sources.

5. The transfer of liaison controls and records to the Inspection and Security Staff is considered sound and to be a definite improvement on present procedure. This office also concurs in the proposal that machine records support for administrative operations be transferred to the Special Support Staff.

6. The proposal that the Office of Reference and Dissemination should maintain the Agency archives, is considered to be too broad in concept, unless adequate provision be made for the control of sensitive operational files and records.

7. Emphatic objection is made to the proposal that ORD be given exclusive responsibility for the dissemination function in the Agency. Regardless of what jurisdiction ORD may be given as an office of records, the originating office should make direct dissemination of all necessary and appropriate material to customer agencies without the imposition of an intermediary. OCD, or ORD, as the case may be, has no greater knowledge of what customers desire than do the originating offices and owing to OSO-OO direct contacts it frequently has much less. Aside from the fact that the burden of complaint respecting delay is usually visited directly on the originating offices, OSO is conscious of the loss of intelligence value in reports caused by even minimum delay in distribution; under no conditions should OCD be granted the authority of exclusive distribution. Indeed, on the contrary, consideration should be given to the improvement of direct distribution by the originating office through technical means. With regard to OSO requirements upon other producers, experience has shown that information of the greatest intelligence and operational interest to OSO which is funnelled through OCD, frequently does not reach OSO at all or, at best, after considerable delay. It would seem appropriate that a small committee of CIA office representatives be established, under ORD chairmanship, to conduct a continuing, critical review of dissemination practices and perhaps, to maintain central records of distribution.

**SECRET**

**SECRET**

Approved For Release 2003/11/19 : CIA-RDP60-00213A000200070033-1

8. With regard to possible future consolidations effected under the provisions of WSC-50, following the implementation of the present plan, certain provisions of the Dulles Committee report should be reiterated; namely, that the natural growth of OSO and OPC will require considerable duplication of OO functions. The vast untouched potential [redacted] will ultimately necessitate the establishment of such an office within OSO or the extension of the OO overt collection function under the closest sort of OSO-OO liaison.

25X1

25X1

[redacted]  
Assistant Director  
Special Operations

Approved For Release 2003/11/19 : CIA-RDP60-00213A000200070033-1

**SECRET**